

(c) If the appeal involves an electric power rate, the rate shall be implemented and remain in effect subject to the final decision on the appeal.

## PART 179—LIFE ESTATES AND FUTURE INTERESTS

Sec.

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AUTHORITY: 86 Stat. 530; 86 Stat. 744; 94 Stat. 537; 96 Stat. 2515; 25 U.S.C. 2, 9, 372, 373, 487, 607, and 2201–11.

CROSS REFERENCE: For regulations pertaining to income, rents, profits, bonuses and principal from Indian lands and the recording of title documents pertaining thereto, see parts 150, Land Records and Title Documents; 152, Issuance of Patents in Fee, Certificates of Competency, Removal of Restrictions, and Sale of Certain Indian Lands; 162, Leasing and Permitting; 163, General Forest Regulations; 166, General Grazing Regulations; 169, Rights-of-Way over Indian Lands; 170, Roads of the Bureau of Indian Affairs; 212, Leasing of Allotted Lands for Mining; 213, Leasing of Restricted Lands of Members of the Five Civilized Tribes, Oklahoma, for Mining; 215, Lead and Zinc Mining Operations and Leases, Quapaw Agency.

SOURCE: 53 FR 25953, July 8, 1988, unless otherwise noted.

### § 179.1 Purpose, scope, and information collection.

(a) These regulations set forth the authorities, policy and procedures governing the administration of life estates and future interests in Indian lands by the Secretary of the Interior. These regulations do not apply to any use rights assigned by tribes, in the exercise of their jurisdiction over tribal lands, to tribal members.

(b) These regulations do not contain information collection requirements which require the approval of the Office of Management and Budget under 44 U.S.C. 3501 *et seq.*

### § 179.2 Definitions.

*Agency* means an Indian Agency or other field unit of the Bureau of Indian Affairs having the Indian land under its immediate jurisdiction.

*Contract Bonus* means cash consideration paid or agreed to be paid as incentive for execution of the contract.

*Income* means the rents and profits of real property and the interest on invested principal.

*Indian Land* means all lands held in trust by the United States for individual Indians or tribes; or all lands, titles to which are held by individual Indians or tribes, subject to Federal restrictions against alienation or encumbrance.

*Principal* means the corpus and capital of an estate, including any payment received for the sale or diminishment of the corpus, as opposed to the income.

*Secretary* means the Secretary of the Interior or authorized representative.

*Superintendent* means the designated officer in charge of an Agency.

### § 179.3 Application of State law.

In the absence of Federal law or Federally-approved tribal law to the contrary, the rules of life estates and future interests in the State in which the land is located shall be applied on Indian land. State procedural laws concerning the appointment and duties of private trustees shall not apply.

### § 179.4 Distribution of principal and income.

In all cases where the document creating the life estate does not specify a distribution of proceeds; or where the vested remainderman and life tenant have not entered into a written agreement approved by the Secretary providing for the distribution of proceeds; or where, by such document or agreement or by the application of State law, the open mine doctrine does not apply; the Secretary shall:

(a) Distribute all rents and profits, as income, to the life tenant.

(b) Distribute any contract bonus one-half each to the life tenant and the remainderman.

(c) In the case of mineral contracts, invest the principal, with interest income to be paid the life tenant during the life estate, except in those instances where the administrative cost of investment is disproportionately high, in which case § 179.4(d) shall apply. The principal will be distributed

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to the remainderman upon termination of the life estate.

(d) In all other instances, distribute the principal immediately according to the formulas set forth in § 179.5, investing all proceeds attributable to any contingent remainderman in an account, with disbursement to take place upon determination of the contingent remainderman.

### § 179.5 Value of life estates and remainders.

(a) The value of a life estate shall be determined by the formula: Value of Life Estate =  $P \times L$ , where P = Value of principal, and L = Life estate factor for the age and sex of the life tenant, as shown in Column 2 on tables A(1) and A(2).

(b) The value of a remainder shall be determined by the formula: Value of Remainder =  $P \times R$ , where P = Value of principal, and R = Remainder factor for the age and sex of the life tenant, as shown in Column 3 on tables A(1) and A(2).

TABLE A(1)—SINGLE LIFE MALE, 6 PERCENT, SHOWING THE PRESENT WORTH OF A LIFE ESTATE INTEREST, AND OF A REMAINDER INTEREST

(1)—Age	(2)—Life estate	(3)—Remainder
0 .....	0.9305	0.06295
1 .....	.96217	.03783
2 .....	.96170	.03830
3 .....	.96053	.03947
4 .....	.95905	.04095
5 .....	.95732	.04268
6 .....	.95540	.04460
7 .....	.95331	.04669
8 .....	.95195	.04895
9 .....	.94861	.05139
10 .....	.94598	.05402
11 .....	.94316	.05684
12 .....	.94019	.05981
13 .....	.93708	.06292
14 .....	.93391	.06609
15 .....	.93069	.06931
16 .....	.92746	.07254
17 .....	.92419	.07581
18 .....	.92089	.07911
19 .....	.91751	.08249
20 .....	.91403	.08597
21 .....	.91046	.08954
22 .....	.90678	.09328
23 .....	.90292	.09702
24 .....	.89884	.10116
25 .....	.89445	.10555
26 .....	.88972	.11028
27 .....	.88465	.11535
28 .....	.87925	.12075
29 .....	.87353	.12647

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TABLE A(1)—SINGLE LIFE MALE, 6 PERCENT, SHOWING THE PRESENT WORTH OF A LIFE ESTATE INTEREST, AND OF A REMAINDER INTEREST—Continued

(1)—Age	(2)—Life estate	(3)—Remainder
30 .....	.86750	.13250
31 .....	.86117	.13883
32 .....	.85451	.14549
33 .....	.84752	.15248
34 .....	.84020	.15980
35 .....	.83255	.16745
36 .....	.82455	.17545
37 .....	.81622	.18378
38 .....	.80755	.19245
39 .....	.79854	.20146
40 .....	.78923	.21077
41 .....	.77960	.22040
42 .....	.76967	.23033
43 .....	.75944	.24056
44 .....	.74891	.25109
45 .....	.73808	.26192
46 .....	.72695	.27305
47 .....	.71552	.28448
48 .....	.70385	.29615
49 .....	.69198	.30802
50 .....	.67997	.32003
51 .....	.66785	.33215
52 .....	.65560	.34440
53 .....	.64320	.35680
54 .....	.63060	.36940
55 .....	.61776	.38224
56 .....	.60466	.39534
57 .....	.59131	.40869
58 .....	.57778	.42222
59 .....	.56417	.43583
60 .....	.55052	.44948
61 .....	.53687	.46313
62 .....	.52321	.47679
63 .....	.50954	.49046
64 .....	.49585	.50415
65 .....	.48212	.51788
66 .....	.46836	.53164
67 .....	.45458	.54542
68 .....	.44077	.55923
69 .....	.42689	.57311
70 .....	.41294	.58706
71 .....	.39889	.60111
72 .....	.38474	.61526
73 .....	.37051	.62949
74 .....	.35624	.64376
75 .....	.34194	.65806
76 .....	.32761	.67239
77 .....	.31327	.68673
78 .....	.29895	.70105
79 .....	.28481	.71519
80 .....	.27098	.72902
81 .....	.25773	.74227
82 .....	.24527	.75473
83 .....	.23354	.76646
84 .....	.22217	.77783
85 .....	.21070	.78930
86 .....	.19955	.80045
87 .....	.18870	.81130
88 .....	.17822	.82178
89 .....	.16831	.83169
90 .....	.15922	.84078
91 .....	.15097	.84903